

Vote: 790 Kapchorwa Municipal Council

FY 2021/22

Terms and Conditions

Pursuant to the Public Financial Management Act of 2015 (PFMA), Part VII - Accounting and Audit, Section 45 (3), as an Accounting Officer, I am required to enter into an annual budget performance contract with the Secretary to the Treasury which binds me to deliver on the activities in the work plan of the Vote for a financial year, in accordance with the provisions of section 13 (15) of the said Act.

1. It is understood that the Secretary to the Treasury cited in the PFMA, 2015 is the Permanent Secretary/Secretary to the Treasury (PS/ST) of the Ministry of Finance, Planning and Economic Development (MoFPED).
2. It is understood that the references to Programmes in this document are those as contained in the National Development Plan III (NDPIII).
3. I, as the Accounting Officer for the Vote, hereby agree to the following Performance Contract and understand my performance will be assessed according to:

Criteria A: Budgeting, financial management and accountability:

- I will execute the budget approved by Parliament and achieve the performance indicators contained in the District Development Plan, the NDPIII and all national priorities. The baseline used to measure my progress will include the documents approved at final budgeting stage (stage 3) in the Programme Budgeting System (PBS) by MoFPED.
- I am expected to perform my responsibilities in accordance with the Constitution, the PFMA, 2015, Treasury Instructions, 2017, the Public Procurement and Disposal Act (PPDA), 2003, and other laws that govern the Republic of Uganda.

Criteria B: Achieving results in programmes and projects identified for the Vote:

- I will be held accountable, and I am expected to oversee the implementation and delivery of physical outputs of all projects and programmes.
 - I understand that all my programmes and projects will be in line with the results intended in the National Development Plan III goals.
4. I hereby undertake to meet the requirements set out in this performance contract and to deliver on the outputs and activities specified in the work plan of the Vote for FY 2021/2022.
 5. Pursuant to Section 45(5) of the PFMA, 2015, I understand that I am responsible and personally accountable to Parliament for the activities of my Vote. I shall also be personally accountable for a function or responsibility that is delegated, inclusive of all work performed on behalf of staff that I have authority and control over.
 6. I will timely prepare and submit quarterly performance progress reports to the MoFPED on the outputs set out in the workplans by the specified deadlines (PFMA, 2015, Section 16(1) and 21 (3)). **I understand that MoFPED will not disburse funds unless it has received complete submissions of the aforementioned reports.**

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7. I will submit performance reports on or before the last working day of the first month after the close of each quarter. To ensure public access to budget information, I understand that budgets and performance reports will be posted on the Uganda Budget Website (www.budget.go.ug). Inquiries that pertain to my Vote (from the budget website or the hotline - 0800 2299 229) will be responded to within two weeks. I also commit to ensuring required procurement information is posted and up to date on the Government Procurement Portal (gpp.ppda.go.ug).
8. I will submit all required reports and budget performance information based on the NDPIII. Where need arises, I shall collaborate and consult with the respective programme clusters and the Office of the Prime Minister (OPM) to achieve the results of the NDPIII.
9. I will undertake the effort to harmonize my budget to the NDPIII programme structure. I understand that I will reorganize my Vote and my budget to be aligned with achieving the results in the Programme Implementation Action Plans (PIAPs) and the NDPIII. I fully recognize that this may include a revision in the current institutional structure.
10. I will submit all known funding needs during the budget preparation cycle. Unless there are unforeseen, unplanned, or emergency situations, I understand requests for supplementary expenditures will not be honored. I will submit the answers to the questions identified in paragraph 11 of this Performance Contract along with my request to MoFPED.
11. **With my supplementary request, I will provide the answers to the following questions.**
 - Why was the need not raised at the time of budget preparation?
 - Can the need be postponed to the subsequent year?
 - Can the need be absorbed in the current budget?
 - Is there revenue to support the supplementary request?
12. I commit to the responsibilities laid out in the letter appointing me as an Accounting Officer from the PS/ST for FY 2021/2022 .
13. I understand that I will be subject to an Annual Local Government Performance Assessment at both Higher, Lower Local Government levels, and service delivery units of the Local Government I am appointed to. On account of the results of the assessment done in FY 2020/21, I will take personal responsibility to develop and implement a Performance Improvement Plan (PIP) in areas where the Local Government underperformed in FY 2020/21.

I am also aware that during FY 2021/22, the performance of Local Government, for which I have been appointed as Accounting Officer in FY 2021/22, will be assessed and the results of the assessment will inform my re-appointment as Accounting Officer in FY 2022/23.

I further acknowledge the PS/ST may establish additional criteria to preform my performance monitoring and evaluation.

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Criteria A: Budgeting, financial management and accountability:

I understand I will be assessed annually in the following areas:

14. **Adherence to budget requirements:** Observance to budget requirements specified by MoFPED in the various Circulars during budget preparation. The creation or accumulation of arrears is strictly prohibited. Commitments exceeding the appropriated budget shall not be entered into without prior approval of the PS/ST. Failure to adhere to the appropriated budget in the given fiscal year will attract sanctions, including termination of employment and or personal penalties per the PFMA, 2015. Exceptions to this clause will only be considered by the PS/ST if the following conditions are met:
 - Lower than-expected cash releases; **and**
 - The allocated resources have been expended using the following prioritization:
 - Wage, pension and gratuities, utilities, contractually obligated multi-year commitments, and designated commitments or mandates.
 - It is my responsibility to satisfactorily notify the PS/ST of the potential creation of an arrear meeting these conditions.
 - I will submit the required quarterly report to the PS/ST of any outstanding bills or over commitments.
15. **Alignment to the NDPIII:** I will harmonize the budget to the NDPIII programmatic approach and realign the Vote's activities and outputs based on how each sub-sub-programme, service area (department), project, or budget output fits with the NDPIII goals.
16. **Active participation in the programme clusters:** Submission of required documents to the appropriate programme cluster and OPM. The time needed for review and approval by the programme cluster and OPM will always be factored into the submission of documents to MoFPED.
17. **Timely submission of required budget documents:** All documents will be submitted in a clear and understandable manner that provides ample justification of expenditures and activities. These include but are not limited to the: Budget Framework Paper, workplan, detailed budget estimates, cashflow plan, recruitment plan, and procurement plans. Submissions to MoFPED should also be made in a timely manner to allow for review time and subsequent submission to Parliament.
18. **Open and transparent procurement:** Procurement plans and required information on tender prepared and posted on the PPDA procurement portal.
19. **Prompt processing of payments:** Monthly salaries, wages, invoices, certificates and pensions processed on time by the 28th day of each month.

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20. **Implementing the budget as planned:** Adherence to the annual budget and work plan and associated budget requirements for the financial year; adherence to the annual cash flow plan; and no new arrears incurred by the Vote. A request for supplementary expenditure will not be made unless it is a result of an emergency, unplanned or unexpected situation.
21. **Complete and timely submission of reports:** Annual and half yearly accounts and quarterly performance reports prepared in accordance with the designated due date.
22. **Accurate record keeping:** All expenditure of public funds will be supported with accountability records, valid invoices, and receipts. No expenditure will be made from the Vote without appropriate documentation.
23. **Internal and external audit follow up:** Actions are planned and taken in response to the recommendations of the Audit Committee and Public Accounts Committee.
24. **Submission of Accounts:** Pursuant to Part II, Section 51 (1) of the PFMA, 2015, I will prepare and submit within two months after the end of each financial year to the Auditor General, and the Accountant General, the accounts and information set out in paragraph 2 of Schedule 5 of the same Act.
25. **Authorization of Bank Accounts:** Pursuant to Part II Section 33 of the PFMA, 2015, I understand the Accountant General must approve any bank accounts I open and follow the prescribed framework provided by the PS/ST.

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Criteria B: Achieving results in programmes and projects:

For each programme or project, I will be assessed on performance in the following areas:

26. **Alignment of plans with policy:** The alignment of programmes and projects workplans with vote, programme and national strategies (NDP).
27. **Achievement of planned results:** The extent to which annual performance indicators and targets are achieved for projects and/or programmes.
28. **Timely and predictable implementation:** The consistency of actual expenditures with budgeted cash flow and procurement plans; the degree to which results are achieved within budget and without cost overruns.
29. **Procurement and project management:** Adherence to all aspects of the PPDA Act and Regulations for procurements relating to Programme/Project expenditure.
30. **Monitoring and follow up:** The adequacy and timeliness in the submission of information of quarterly monitoring and evaluation reports. Timely follow up and resolution of identified performance issues.

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I hereby agree to the contents of this agreement and understand that it will be used to assess my performance. I am aware this contract is only valid for FY 2021/2022 and the Permanent Secretary/Secretary to the Treasury will determine my reappointment. I will carry out my duties with the highest level of integrity and ethical behavior. My failure to comply with these requirements will result in my appointment as an Accounting Officer being revoked or subject me to personal penalties and sanctions.

Accounting Officer's
Signature:



Name:

Agum Moses Ag Town Cler

Date:

27/06/2021

Permanent Secretary /
Secretary to Treasury's
Signature:

Name:

Patrick Ocailap

Date: